FBIS DAILY REPORT

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BORDER TALKS WITH CHILE TO RESUME 13 SEPTEMBER

FY281647Y Buenos Aires NOTICIAS ARGENTINAS in Spanish 1620 GMT 28 Aug 78 FY

[Text] Buenos Aires, 28 Aug (NA)--Mixed commission No 2 which is studying the border problem between Chile and Argentina in the southern region will resume its sessions on 13 September, it was officially reported here. The announcement was made in a short communique released by San Martin Palace: "The chairmen of the Chilean and Argentine delegations to mixed commission No 2 created under the Puerto Montt Act have agreed to hold the sixth round of sessions beginning on 13 September in Santiago, Chile."

CULTURE, EDUCATION MINISTER ASKED TO RESIGN

FY290127Y Buenos Aires TELAM in Spanish 0107 GMT 29 Aug 78 FY

[Excerpt] Buenos Aires, 28 Aug (TELAM)--The president of the nation, Lt Gen Jorge Rafael Videla (ret), today asked Juan Jose Catalan to resign as culture and education minister so the conflict which arose last week between the Education Ministry and the University of Buenos Aires can be evaluated freely. This announcement was made by Catalan himself at a press conference with newsmen accredited to the Culture and Education Ministry. He noted that he will immediately submit his resignation to the executive branch.

MAGAZINE EDITOR REPORTEDLY SHOT TO DEATH

PY290344Y Paris AFP in Spanish 0322 GMT 29 Aug 78 FY

[Text] Buenos Aires, 28 Aug (AFP)--According to a NOTICIAS ARGENTINAS report, Horacio Agulla, editor of the weekly magazine CONFIRMADE, was murdered here tonight. The journalist was killed by several shots fired from a short distance by unknown persons in two cars. He was shot as he was parking his vehicle in the center of the capital's aristocratic neighborhood.

ILO DIRECTOR BLANCHARD ARRIVES FOR CONFERENCE

PY290241Y Buenos Aires Radio Belgrano in Spanish 0130 GMT 29 Aug 78 FY

[Text] ILO Director General Francis Blanchard has arrived in Argentina. He will stay for a week and will participate in the UN world conference on technical cooperation among developing countries, which will open in Buenos Aires on 30 September. Mr Blanchard will contact national officials and union organizations. During a short talk with newsmen he stated that during the recent meeting of the ILO union freedom committee he was glad to see that the Argentine situation had made important progress, also indicating that direct contacts between Argentina and the ILO are favorable.

HEALTH SECRETARY TO HEAD DELEGATION TO USSR

PY281700Y Buenos Aires Domestic Service in Spanish 1600 GMT 28 Aug 78 FY

[Text] Argentine Health Secretary Manuel Iran Campo will go to the Soviet Union heading an Argentine delegation which will attend an international health conference. The conference was called by the World Health Organization and the UN Children's Fund. In addition to Rear Adm Manuel Iran Campo, the Argentine delegation will be made up of the chief of the International Health Relations Department, the chief of the Rural Health Department, the general director of the Planning Department, and a representative from the Economy Ministry.

RADIO REPORTS FURTHER DETAILS OF SAO PAULO DISORDERS

PY2814317 Sao Paulo Cadeia Verde Amarela in Portuguese 1000 GMT 28 Aug 78 PY

[Excerpts] A meeting against the high cost of living held yesterday in the Cathedral Da Se had an unpredictable outcome: 60 persons were injured and 14 arrested. The demonstration actually took place after a letter of protest against the high cost of living bearing 1.3 million signatures was delivered to the Justice and Peace Commission. The demonstration was staged mostly by students and a melee began when separate groups on the front steps of the Cathedral Da Se unfurled huge signs critical of the government. The signs were signed by the Socialist Convergence and by the Freedom and Struggle Group of the Sao Paulo University Student Directorate. The police began to throw noise and teargas bombs to disband the demonstrators and the ensuing melee lasted for 1 hour.

The leaders of the movement against the high cost of living unsuccessfully tried to calm the students, using loudspeakers offered by the police. The students responded with whistling and boos, and the efforts to calm them failed.

Church leaders later talked to the police commander. One of them said that the aim of the movement was not to heat up emotions but to have all the people try to solve the problems affecting them in an orderly way. Unfortunately, he added, some could not keep their heads and listen to our appeals to keep matters orderly, and so this regrettable clash between the people and the police resulted.

According to the police, the 14 persons arrested during the disorders were released after making statements. The police also kept many people from reaching the Cathedral Da Se to participate in the meeting promoted by the movement against the high cost of living. Two buses carrying people who intended to participate were stopped on the Anhanguera highway.

DEMONSTRATION STAGED TO PROTEST 'ARBITRARY IMPRISONMENT'

PY2814556 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 26 Aug 78 p 14 PY

[Excerpt] About 3,000 students roamed through the downtown streets for 30 minutes late yesterday afternoon interrupting traffic and protesting the imprisonment of 21 members of the Socialist Convergence Movement in Sao Paulo. This was the largest of five "lighting demonstrations" the students staged in several places where they were met by the police with noise bombs and teargas.

The downtown area was in turmoil when the police surrounded the entrances to the law school on Sao Francisco Square where a public meeting "for the release of political prisoners, an end to torture and political persecution" was scheduled.

Dissatisfied at not being able to hold the meeting even inside the law school, students organized quickly and decided to parade down the streets distributing an open letter to the people signed by the State Students Union in which criticism was leveled at the government for the "arbitrary imprisonment" of recent years.

TURBAY OUTLINES GOVERNMENT AGRICULTURAL POLICY

PA260340Y Bogota Cadena Radial Super in Spanish 0000 GMT 26 Aug 78 PA

[Excerpts] President Julio Cesar Turbay Ayala has just explained a vigorous agricultural policy based on a revision of agricultural taxes. President Turbay said that the vitality of the agricultural sector will be revived during his administration. In addition, he announced that there will be tax relief to permit the reinvestment of profits in agricultural projects.

The president announced that enterprises producing food and raw material will be created, elements of production for the agricultural sector will be reduced in price, increased production of agricultural goods will be encouraged and a policy will be implemented to expedite procedures under Law No 5 of 1973.

President Turbay said that he has already instructed the agriculture minister to amend Law No 5. The president announced that there will be greater credit available to the agricultural sector, that the plan for integrated rural development will be made more flexible, and that a largescale program of cooperatives will be established for the collectivization of agriculture.

President Turbay announced that retail chains and savings and loan cooperatives will be established to better serve Colombian consumers and to favor the country's small farmers.

In his speech inaugurating the National Agricultural Congress in Cali, the president defined his government's foremost economic strategy, which is designed to revive the importance of the agricultural sector within the national economy. He said that this would be achieved by providing security to agricultural investors, abundant credit to small farmers and a largescale program of cooperatives to lower the cost of food.

Colombian Farmers' Reaction

PA272101Y Bogota Cadena Radial Super in Spanish 1730 GMT 27 Aug 78 PA

[Text] Bogota--Spokesmen for the agricultural and livestock sector have noted the important effect of President Turbay Ayala's speech on the Cali guild. Several spokesmen noted that one of the president's priorities is refinancing the agricultural and livestock finance fund, which has a 2 billion peso deficit.

The president, who received from the agricultural and livestock congress a well-prepared document on the main requirements and problems of the nation's agricultural sector, said that a comprehensive policy is necessary and that he expects a [gross] national product increase of more than 5 percent.

Agriculture and livestock leaders have noted that credit policies, storage facilities and transportation conditions from the countryside to urban centers must receive special attention in the next 4 years.

CTC PRESENTS LABOR DEMANDS TO TURBAY

PA281914Y Bogota Radio Cadena Nacional in Spanish 1730 GMT 28 Aug 78 PA

[Text] The powerful Confederation of Workers of Colombia [CTC], which has over 1 million members nationwide, today gave the president time to satisfy the demands contained in a five-point memorandum given to him this morning. The labor central asked the government to adopt a social policy that will overcome the crisis affecting the working class, to regulate and plan the economy through the control of revenue, to curb the increase in the cost of services and basic commodities, to grant a general salary increase and to modernize labor laws.

In the document given to President Turbay today the CTC [words indistinct]. For that reason we give the government a prudent and reasonable amount of time in which to obtain satisfactory results, the labor central said.

LABOR MINISTER NOTES 'SOCIAL PEACE' DESPITE LABOR PROBLEMS

PA262345Y Bogota Radio Cadena National in Spanish 1730 GMT 26 Aug 78 PA

[Text] Bogota--Labor and Social Security Minister Rodrigo Marin Bernal today declared a policy of open dialog to solve the labor problems in the country. Concerning the strike of resident doctors and interns, the labor minister said that talks have been initiated to find solutions to problems that exist in some Colombian hospitals. He said that after making a thorough analysis of the situation, one can say that there is social peace in the country.

OFFICIAL COMMENTS ON NATIONAL SECURITY PLAN

PA290153Y Bogota Cadena Radial Super in Spanish 0000 GMT 29 Aug 78 PA

[Text] Bogota--Secretary General of the Presidency Alvaro Perez Vives today reported that the national security plan announced by the government is being perfected. The high official made the announcement at the end of a meeting with Defense Minister Gen Luis Carlos Camacho Leyva and Government Minister German Zea Hernandez.

Perez Vives said the groundwork for the plan had been laid and it should be approved during Thursday's council of ministers. He added that once the plan has been approved it will go into effect immediately.

BRIEFS

APPOINTMENT OF PRESIDENTIAL ADVISER--Bogota--Carlos Restrepo Piedrahita was today appointed presidential adviser for juridical affairs, it was reported at the presidence. Restrepo is a liberal. [Bogota Radio Cadena Nacional in Spanish 1730 GMT 26 Aug 78 PA]

NEW AMBASSADOR TO SPAIN--Bogota--Former Finance Minister Abdon Espinosa Valderrama was today appointed Colombian ambassador to Spain. He replaces former Conservative Minister Samuel Hoyos Arango. [Bogota Radio Cadena Nacional in Spanish 1730 GMT 26 Aug 78 PA]

EXPORTS INCREASE--The Colombian Foreign Trade Institute reports that the country's exports of coffee and nontraditional products have increased in 10 percent through August 1978. [Bogota Radio Cadena Nacional in Spanish 1730 GMT 15 Aug 78 PA]

POLITICIANS COMMENT ON NEW ELECTIONS FOR COTOPAXI PROVINCE

PA271401Y Quito Voz de los Andes in Spanish 1230 GMT 27 Aug 78 PA

[Text] While Jaime Roldos believes that the popular will as expressed on 16 July should be respected, especially since, according to him, the vote annulments carried out by the Supreme Electoral Tribunal violate election laws, he has stated that he will participate in the new Cotopaxi elections to reaffirm the determined will of the people. Sixto Duran Ballen has joined those asking for a reconsideration of the call for new elections because that province should not to be blamed for the unfortunate decision, and he feels that the original results of the elections should be accepted.

Pedro Jose Arteta, acting director of the Liberal Party, who was in charge of Dr Raul Clemente Huerta's campaign, thinks that the decision of the Supreme Electoral Tribunal is appropriate since it shows respect for the will of the citizens of that province.

VOTES IN SANTO DOMINGO DE LOS COLORADOS ANNULLED

PA262137Y Quito Voz de los Andes in Spanish 1730 GMT 26 Aug 78 PA

[Excerpts] Newspaper reports that votes from 21 polls were annulled and 10 more were questioned in Santo Domingo de los Colorados, which involves approximately 40 percent of the votes there, have surprised people, who are wondering what actually happened. They know that they acted honestly and with patriotic enthusiasm and that the polls were managed by very honest citizens, distinguished professionals, banking employees, professors and businessmen, all of whom were properly trained by the provincial electoral tribunal coordinator. The people of Santo Domingo have expressed their surprise and told this station that the annulment injures the dignity of the people and that they are sure the Supreme Electoral Tribunali will reconsider the decision.

ELECTORAL OFFICIAL DISCUSSES NULLIFICATION ISSUE

PA290202Y Quito Voz de los Andes in Spanish 1730 GMT 28 Aug 78 PA

[Text] The Supreme Electoral Tribunal has left open the possibility of new presidential elections in the provinces of Esmeraldas, Manabi and Pichincha and anywhere in the country where local vote results could have an effect on the results nationwide since the application and interpretation of Article 93 of the elections law clearly permits the calling of new elections. Dr Jose Guerrero Bermudez, a member of the tribunal, will now explain the juridical stand outlined by the Supreme Electoral Tribunal: [begin recording] Article 93 is fully in effect as it now reads: If the definite result of an election depends on the nullification of the votes from one or more districts. [as heard] No change whatever has been made to this article. What has been done is that a resolution of an interpretative nature has been adopted because there was no law dealing with the Cotopaxi problem. This applies not only to Cotpaxi. The same problem could arise elsewhere. The resolution is of a general nature. The tribunal cannot be partial toward anyone. The tribunal has to adopt interpretative resolutions of a general nature. It should be assumed that, if the results of an election depend on the results of a single district, it is all the more valid for the vote results for a whole province. This is what the Supreme Electoral Tribunal has stated.

We have to respect the democratic expression of the will of the Ecuadorean people. If, by chance, all the votes from a province are declared null, we have to understand that this decision will obviously affect the [national] election result. However, this does not make Article 93 void; on the contrary, it remains in effect.

We have made an exceptional interpretation of Article 93 in this case because it involves a whole province. [sentence as heard] It may be Cotopaxi, Loja or any other province. The interpretation was made from a general point of view with the aim of respecting the expression of the will of the people.

Thus, with regard to Dr Silva's saying that Article 93 has been voided, that is not so; it has not even been changed. What is more, according to Article 19 of the elections law, this resolution has to be published in the official register. For this resolution to go into effect it must be published in the official registry.

I think that with this we have cleared up any doubt about Article 93 having been voided or changed. [end recording]

MINISTER DENIES REPORTS OF LOOMING ECONOMIC RECESSION

PA2602337 Quito Cadena del Triunfo in Spanish 2300 GMT Aug 78 PA

[Text] Finance Minister Juan Reyna said this afternoon that Ecuador is not facing the threat of economic recession. The minister was refuting statements made yesterday by Jose Racines, president of the Bank of Pichincha, and Francisco (Suet), president of the Planning Board. The two high-ranking officials had both expressed the opinion that Ecuador has entered a phase of economic decline, relative to the great growth it experienced between 1972 and 1974 when oil exports were at their highest level.

The finance minister reiterated his belief that the nation's budget deficit at the end of the year will be approximately 2.5 billion sucres, a figure which, he said, is admissible in developing economies like that of Ecuador's.

He thus refuted the statement made by the manager of the development bank to the effect that the budget deficit in 1978 would be close to 6 billion sucres.

Minister Reyna said that the private sector must have confidence in the state of the Ecuadorean economy's health. He expressed pleasure over the fact that private international financial organizations offer loans to Ecuador on terms which they usually offer only to industrialized countries.

CONTENT OF PERUVIAN-VENEZUELAN COMMUNIQUE OUTLINED

PY2514Z2Y Lima Domestic Service in Spanish 1200 GMT 25 Aug 78 PY

[Text] Peruvian and Venezuelan foreign ministers Jose de la Puente Radbill and Simon Alberto Consalvi stressed the excellent state of bilateral relations, the profound historical ties that unite them and their essential responsibility for achieving common ideals and cooperation, along with the integrity and solidarity of Latin America in a joint communique signed in the Torre Tagle Palace.

In the document they also repeat their adherence to ideological pluralism and approve the right of developing countries to full and permanent sovereignty over their natural resources.

They also confirm the need for Third World countries to fully participate in the decision-making progress when seeking solutions to world problems.

Both foreign ministers express their deep concern about the proliferation of nuclear arms and the arms race.

They also agree that international loan organizations must support developing countries without discrimination or excessive demands.

The joint communique clearly indicates the will of the two countries to unite efforts and eliminate the protectionist practices of the industrialized countries.

The document, after outlining several aspects of mutual agreement, expresses Peru's acknowledgment of the financial cooperation given by Venezuela and other Latin American countries to reinforce its balance of payments.

It also indicates that the activation of the Mixed Venezuelan-Peruvian Cooperation Commission has been agreed upon to discuss economic, financial, trade, technical, cultural, migration and other aspects of common interest.

MORALES' TACNA SPEECH SETS CONDITIONS FOR GENERAL ELECTIONS

PA2822232Y Buenos Aires LATIN in Spanish 1914 GMT 28 Aug 78 PA

[Excerpts] Lima, 28 Aug (LATIN)--Peruvian President Francisco Morales Bermudez said that the military regime will call general elections as soon as the recently installed Constituent Assembly concludes its work.

The 100-member assembly, which began sessions 1 month ago, has 1 year to draft a new constitution that will reflect the deep social changes that have taken place since the armed forces began a peaceful revolution 10 years ago.

According to the timetable established by the military regime 18 months ago, general and presidential elections should be held in 1980. In a speech in the southern city of Tacna last night, General Morales Bermudez said that "if the assembly concludes its work before the established time, we would not object to calling immediate general elections."

Morales Bermudez warned that extremist forces are trying to prevent the peaceful return to a democratic regime. This has been interpreted as a reference to leftist members of the Constituent Assembly who have been accused by the government-controlled press of promoting strikes while enjoying immunity as members of the Constituent Assembly.

"We must be aware that extremists of both left and right are using our economic difficulties to provoke social chaos with the ultimate objective of preventing a peaceful transition to a democratic regime," Gen Morales Bermudez said.

He warned that the armed forces will not tolerate changes in the norms they established to put the country on theright track and lead it to democracy.

MORALES BERMUDEZ CANCELS BUENOS AIRES TRIP

PA241832Y Buenos Aires LATIN in Spanish 0813 GMT 24 Aug 78 PA

[Text] Lima, 24 Aug (LATIN)--President Francisco Morales Bermudez has postponed indefinitely his trip to Buenos Aires where he was to hold a meeting with his Argentine colleague Lt Gen Jorge Rafael Videla, it was officially reported here.

Peruvian Foreign Minister Jose de la Puente explained yesterday that the trip had been postponed because General Morales Bermudez "is very busy with the nation's domestic politics and has no trip planned."

Minister de la Puente also indirectly ruled out the possibility that the president of Peru will meet with his Chilean colleague Gen Augusto Pinochet in 1978.

GOVERNMENT WORKERS PROTEST AUSTERITY MEASURES

PA251617Y Paris AFP in Spanish 0121 GMT 25 Aug 78 PA

[Text] Lima, 24 Aug (AFP)--Over 20,000 government workers whose jobs are threatened by economic austerity measures demonstrated in downtown Lima this evening.

Workers of the agriculture, housing, transportation, economy and education ministries as well as the National Institute of Culture and other offices participated in the march.

With shouts of "close the garrisons and not the ministries", the bureaucrats rejected recent government measures that commentators feel can result in the dismissal of 20,000 - 30,000 state employees.

The demonstration, organized by the Interunion Committee of State Employees (CITE), took place peacefully. The police, which this morning attended a striking miners' march, were not present at the state employees' march.

Labor Minister's Address

PY251438Y Lima Domestic Service in Spanish 1200 GMT 25 Aug 78 PY

[Text] Labor Minister Air Force Maj Gen Jose Garcia Calderon Loechlin has called for the understanding of all workers, in a demonstration of patriotism, to achieve labor peace and has asked that they contribute to the increase in production that is necessary to overcome Peru's economic and financial crisis.

The minister made this remark after meeting the president at the government house. He also repeated his request for workers to avoid manipulation by politicized former labor leaders seeking personal benefit.

Referring to the miners and bankers conflict, he said that they are approaching a solution and that the overall labor situation in the country is improving.

The minister expressed his hope that the talks being held by representatives of these sectors will achieve success without undermining the rights of either party.

PEREZ DISCUSSES EXPLORATION OF ORINOCO OIL DEPOSITS

PA272042Y Caracas EL NACIONAL in Spanish 21 Aug 78 p D-1 PA

[Excerpts] San Felipe, 20 August--President Carlos Andres Perez spent the second day of his tour in Yaracuy State where he visited and inspected several community projects.

Early this morning, the chief of state went to the "Center of State Research for Experimental Agroindustrial Production." He gave a press conference and then toured the center.

On the subject of the Orinoco belt he said: I have repeated on several occasions that is is unfortunate that the exploitation of the Orinoco oil deposits is being demagogically or frivolously discussed. This is still a national question. The Orinoco belt has been cited as one of the largest petroleum reserves in the world. But this has not yet been proved. It is a hypothesis that is certainly based on scientific research but it cannot be validated until the proper exploration is made for the type of hydrocarbons believed to exist there.

When the exploration of the southern section of Lake Maracaibo was undertaken, there were complaints because service contracts were being made, allegedly giving the transnationals more profitable business opportunities than the concessions. As it turned out, the transnationals spent several hundred million dollars and lost it. They did not find oil there, although it was thought that those were the largest conventional oil deposits in Venezuela, as indicated by the seismological explorations of petroleum geologists. There is no doubt there is oil in the Orinoco belt, and it must be explored. However, can Venezuela do the job? I think it is absurd to claim that it can. Venezuela does not have the necessary technology. Moreover, there is no technology on the market for exploitation of nonconventional deposits. Technologies have to be constructed on existing scientific bases for exploitation of this kind of petroleum and we must resort to international technology to exploit this petroleum. As a prerequisite for exploration, we are undoubtedly interested in obtaining the cooperation of the world's existing technologies that would enable us to choose the one best suited to our purposes. We must use Japanese, European, Canadian, U.S. or Soviet bloc technologies to start exploring and truthfully assess the resources of this belt.

I am surprised to hear that some have requested a meeting of the National Energy Council. The job of the National Energy Council is to advise the government on policy, not to interfere in the administrative field. Unfortunately, it has been said that assigning the Orinoco oil belt to operating firms, i.e., to Petroleos de Venezuela, is a dangerous process, that it should remain under the control of the mines ministry. But isn't the mines ministry as national, that is, a state property, as is Petroleos de Venezuela, which which is a state firm? Is it not the national government, through the mines ministry, that establishes the policies of Petroleos de Venezuela and the operating firms? Are not the operating firms the ones that have the instruments, the technical means to conduct fieldwork in Venezuela's oil zones? Would it be justified to establish a new technological structure in the mines ministry for the exploration of the Orinoco oil belt? Should not the mines ministry supervise all petroleum work or any other mineral deposit exploration by official institutes or by private organizations? Must the mines ministry sacrifice its obligation to supervise and oversee all the mining activities in the country for the sake of duplicating the work of Petroleos de Venezuela? I think this is very clear and anything else is only an attempt to confuse public opinion.

PETROVEN Exploration

PA281838Y Caracas EL NACIONAL in Spanish 23 Aug 78 p D-20 PA

[Text] Caracas, 22 Aug (VENPRES)--Gen Rafael Alfonzo Ravard, president of the Venezuelan Petroleum Company [PETROVEN], announced today that PETROVEN has decided to conduct an extraordinary exploration and drilling program that will include areas outside the traditional exploration and exploitation zones to which the oil industry has restricted itself for many years.

The oil executive added that this program is now possible because the Energy and Mines Ministry issued an official note on 29 March 1978 authorizing PETROVEN to conduct geological and geophysical studies in any part of the national territory through its oil industry-affiliated companies. The authorization allows the drilling of wells whenever it is decided that there are favorable indications of hydrocarbon deposits in the area. This authorization will allow PETROVEN to verify the existence of light and medium-weight oil in areas that have not been sufficiently explored.

General Alfonzo Ravard said that this program has begun with the drilling at LAGOVEN, an affiliated company, of well UD-140 in an area west of Lake Maracaibo in the Urdaneta corridor. Drilling by LAGOVEN was initiated last week. This type of operation will be progressively extended throughout the Lake Maracaibo delta. The first well (UD-140) will be drilled to a depth of 16,850 feet. It will take 100 days to drill the well.

Regarding the other affiliated companies involved in this program, General Alfonzo Ravard reported that MARAVEN plans to begin an exploration program this year by drilling in free areas in order to find light and medium-weight oil and natural gas reserves.

The drilling of oil well Mara-9 will begin on 15 September in Zulia State, reaching the cretaceous layer in a search for natural gas. The cost of this project will be 8.7 million bolivares. Following this, MARAVEN will begin drilling in the UMC-1 field in Quisiro, northwest Falcon State, reaching the tertiary and cretaceous layers. This will cost 17.3 million bolivares.

The Venezuelan Petroleum Corporation (CVP) plans to drill a well down to the cretaceous layer along the western shore of Lake Maracaibo.

The program announced by General Alfonzo Ravard includes the drilling of 13 wells by the companies affiliated with PETROVEN in Perija, Falcon, Anzoategui, Barinas, Monagas and offshore, with an investment of 206 million bolivares. This is to take place this year, during the first phase of the project. This program, General Alfonzo Ravard noted, will be increased in the next few years throughout the country's land and sea areas.

The exploratory drillings, the PETROVEN president announced, will open important possibilities of increasing the reserves of the much-needed light and medium-weight crude oils.

CONSALVI BLAMES INDUSTRIAL STATES FOR DOLLAR CRISIS

PA282012Y Paris AFP in Spanish 1530 GMT 28 Aug 78 PA

[Text] Lima, 28 Aug (AFP)--The dollar crisis is a result of manipulation by some economically powerful countries that are creating problems for our countries and especially for the members of OPEC, Venezuelan Foreign Minister Simon Alberto Consalvi said today.

Consalvi, who will end an official visit to Peru today, analyzed the dollar crisis and its effects on the price of oil.

Describing this "process" as very grave, he emphasized that it is a consequence of the great crisis into which the economic order of the nations that were affected by World War II has entered. He said that "these fluctuations deteriorate our purchasing power."

However, he expressed the hope that the situation will not delay the ideal of achieving a new international economic order, which is the only alternative for all the Third World and developing countries.

Likewise, he affirmed that the so-called Betancourt Doctrine set forth by Venezuela against dictatorial regimes has been made more flexible either through the consolidation of democracy or because "radical differences exist between rapacious dictatorships and other military regimes that have made great efforts to develop their countries."

After pointing out that no formulas exist to prevent coups d'etat and that political instability is linked to economic instability, he said that the arms race could be stopped "by a growing awareness of the peoples and their leaders and the peaceful settlement of border problems. Thus, we will not be manipulated by the arms sellers."

On the subject of Brazil's hegemonic power through the Amazonic pact, Consalvi concluded by saying that his government does not believe in it and reiterated that Latin America's only option is its unity in order to achieve economic development.

VENEZUELAN PRESIDENT MAY VISIT PERU THIS YEAR

PA290245Y Madrid EFE in Spanish 2147 GMT 28 Aug 78 PA

[Text] Lima, 28 Aug (EFE)--Peruvian Foreign Minister Jose de la Puente announced in Lima that Venezuelan President Carlos Andres Perez will probably visit Peru this year. He added that although the visit has been confirmed the exact date has not yet been determined, but there is a "good possibility" that it will take place this year.

The foreign minister said that nothing could be announced concerning a trip by the Peruvian president to Argentina.

De la Puente bade farewell to his Venezuelan colleague, Simon Alberto Consalvi, who returned to his country following an official visit to Peru.

BRIEFS

NEW TURKISH AMBASSADOR--Caracas, 21 Aug (VENPRES)--Turkish Ambassador to Venezuela Sadi Akarcalioglu today presented his credentials to Foreign Minister Simon Alberto Consalvi. [Caracas Diplomatic Information Service in Spanish 1314 GMT 22 Aug 78 PA]

FULL EMPLOYMENT CLAIMED--Presidency Minister Carmelo Lauria has disclosed that Venezuela has reached full employment with 3.5 persons employed per family in contrast to 1.5 persons about 20 years ago. We have everything needed for an economic surge, Lauria added, asserting that the nation's revenue is 20 times greater. Lauria was speaking at a recent forum in Miranda State. [Caracas Radio Continente Network in Spanish 1000 GMT 26 Aug 78 PA]

FSLN GUERRILLAS TO GO TO CUBA, RENEW 'STRUGGLE' IN NICARAGUA

PA261818Y Panama City Circuito RPC in Spanish 1220 GMT 26 Aug 78 PA

[SERCANO network]

[Text] Through the Immigration Department, the national government yesterday began preparing identification papers and a card record containing personal data on the 25 Sandinist guerrillas and the 58 political prisoners who were released following the seizure of the National Palace in Managua.

Responible sources said that most of the guerrillas will probably travel to Cuba, although many of them claim that they are not Marxists. In the meantime, Eden Pastora, commander of the Rigoberto Lopez Perez operation, has announced that after a few days of rest he will return to San Jose to rejoin his Costa Rican family.

Many of the former political prisoners have said that they intend to stay in Panama with relatives or friends while they look for new courses for their lives. However, from the political and military standpoint [as heard], the members of the group have repeatedly stated that they will return to Nicaragua to continue their struggle against Somoza's government.

CONSTITUTIONAL REFORM COMMISSION CITES OBJECTIVES

PA271742Y Panama City LA ESTRELLA DE PANAMA in Spanish 26 Aug 78 pp 1, 26 PA

[Communique issued by high-level commission's subcommission on constitutional reforms--date not given]

[Text] The Subcommission on Constitutional Reforms was formally installed on 25 August 1978 at 3:30 pm at the Continental Hotel.

Debate

The establishment of the content and scope of the constitutional reforms was adopted as the first subject of discussion.

Cesar Pereira, representing the liberal party, presented a party plan of topics for discussion by the subcommission. Eduardo Valdez, in the name of national liberation, proposed objectives, slogans and methods that should be followed in the project.

Carlos del Cid and Carlos F. Chang Marin extensively discussed the commission's objectives.

It was agreed: 1--That each of the participating political organizations will develop a working document on constitutional electoral reforms to serve as a basis for the subcommission's discussions.

2--To invite every entity, association or citizen interested in the constitutional electoral reform to send written suggestions to the subcommission. Public recognition will be given to the author or authors of any proposal used by the subcommission in its deliberations.

3--In order to keep the public informed, the subcommission will periodically issue press communiques describing the progress of its work.

[Signed] Vicente Garibaldi Camacho, coordinator of the Subcommission on Constitutional Reforms on Electoral Matters.

TREATY IMPLEMENTATION SUBCOMMITTEES INSTALLED

PA251444Y Panama City STAR AND HERALD in English 25 Aug 78 pp 1, 7 PA

[Text] With Chief of Government Gen Omar Torrijos present, 66 subcommittees of a "National Commission To Organize the Execution of (the New Panama Canal) Treaties" were installed yesterday during a brief ceremony at the Legislative Palace.

Opening the ceremony was Edwin Fabrega, director general of the Hydraulic Resources and Electrification Institute (IRHE) who is executive director of the commission.

Fabrega gave a brief resume of the work already done and commission and its subcommittees. [sentence as published] He outlined the general objectives as follows:

A. Extend Panama's jurisdiction to the Canal Zone reintegrating it into the Panamanian nation.
B. Incorporate the goods and services (of the Canal Zone) into the way of life and national development of the nation.
C. Take over the administration of the programs and public services which are restored to Panama.
D. Increase participation in the Panama Canal Commission, and
E. Take care and supervise the exercise of the rights granted by Panama to the United States.

Since January, Fabrega said, the government has been intensely engaged in preparing for the execution of the new treaties.

Torrijos also spoke briefly to the more than one hundred persons gathered in the Legislative Palace and said he was sure no Panamanian will fail to cooperate in what he called "the most difficult part of the task of consolidating our sovereignty over the Canal Zone and incorporating it into the domestic and political economy of" Panama.

The ceremony ended with the introduction of the coordinators of the different subcommittees: The national committee is headed by Vice President Gerardo Gonzalez. The coordinators of the different subcommittes are: Francisco Sibauste, administration of land and waters; Roberto Heurtematte, administration of business enterprises; Jorge Marengo, public services; Manuel B. Moreno, labor affairs; It Col Armando Contreras, defense and security; August Zambrano, basin and ecology; David Amado, organization; Ricardo Arosemena, development plans.

SALVADORAN LEADER TO MEDIATE PANAMA-GUATEMALA DISPUTE

PA251628Y Panama City ACAN in Spanish 0040 GMT 25 Aug 78 PA

[Text] Panama City, 24 Aug (ACAN-EFE)--Gen Omar Torrijos today officially accepted the offer by Salvadoran President Gen Carlos Humberto Romero to serve as mediator between Panama and Guatemala in pursuing the resumption of bilateral relations.

In a message to Romero, Torrijos expressed his acceptance, stating: "On behalf of the national government and myself, we express our appreciation for the efforts made to mediate in order to achieve the resumption of diplomatic relations between the Republic of Panama and the Republic of Guatemala.

"We accept your offer to mediate between the Panamanian and Guatemala foreign ministers in the meeting to be held in your country. I inform you that the Panamanian foreign minister will be in San Salvador on Monday, 28 August, the date you set for that purpose. "In the name of the people and Government of Panama, you receive our recognition for your efforts to reestablish Central American unity. [Signed] Omar Torrijos."

Panama and Guatemala broke diplomatic relations approximately 1 year ago, when the then president of Guatemala, Gen Kjell Laugerud Garcia, resented Torrijos' public support for Belize's demands for independence.

TORRIJOS ANNOUNCES SALARY INCREASE, OTHER SOCIAL MEASURES

PA/3175/WY Panama City MATUTINO in Spanish 28 Aug 78 pp 1, 10-A PA

[Article by Ruben Murgas]

[Text] A general salary increase and a substantial cut in automobile prices are some of the most important measures announced yesterday by Chief of Government Gen Omar Torrijos Herrera.

In effect, General Torrijos made statements in Farallon yesterday which will surely play an important role in coming months.

He announced that he will soon meet with all the candidates who were not elected to the National Assembly of Corregimiento representatives. Torrijos considers that because of their activities as candidates they are natural leaders of their communities and, consequently, should play a very important role in the organization and leadership of the Democratic Revolutionary Party, a political entity that is being developed by a commission established specially for that purpose.

Another extremely important measure that will benefit all citizens was the announcement by the chief of government that he had ordered all sector chiefs (ministers and heads of semi-autonomous government agencies) to begin talks with government employees to promptly develop a new salary scale that conforms with the cost of living and the state's resources. After this scale, Torrijos said, the government will hold meetings with private enterprise to study and weigh the possibility of improving salaries of private enterprise employees.

General Torrijos also discussed the Nicaraguan political exiles who sought refuge in Panama after their spectacular operation. The National Guard commander pointed out that the exiles told him that they wanted to settle in diverse countries of America, to reveal and arouse support for the struggle being waged in Nicaragua. Torrijos added that they had expressed their gratitude to the people and Government of Panama for the hospitality granted them.

Another very important measure announced by Torrijos, which directly benefits the middle class and many firms whose sales have declined, is the imminent approval of the law that substantially reduces automobile taxes. This reduction is aimed at decreasing the cost of automobiles and substantially benefits sectors of the middle class which, because of their profession and work, want to own cars but cannot do so because of their high cost.

Lastly, the chief of government, referring to the election of the new president of the National Assembly of Representatives, noted that the election will be done by spontaneous combustion [combustion espontanea], without interference of any kind and with utmost freedom.

BRIEFS

NEW BAR PRESIDENT ELECTED--Dr Cesar A. Quintero, prominent Panamanian jurist and former dean of the University of Panama, was Friday elected president of the National Bar Association for a one-year term. An unprecedented 774 attorneys took part in the voting process at the association headquarters near the Santo Tomas Hospital. Dr Quintero obtained 510 votes against 262 for his opponent, Dr Secundino Torres Gudino, another outstanding Panama City attorney. [Panama City STAR AND HERALD in English 27 Aug 78 p 1 PA]

COSTA RICA

LABOR JUDGE DECLARES HEALTH WORKERS' STRIKE ILLEGAL

PA252147Y San Jose Radio Reloj in Spanish 1730 GMT 25 Aug 78 PA

[Excerpts] The Costa Rican Social Security Fund [CCSS] employees strike has been characterized by mutual accusations. The trade union leadership has said that support [for the strike] is total. One sector has accused strikers of provoking violence. Meanwhile, medical personnel have complained that they are facing serious problems because of the strike. The mediators are trying to find a prompt solution to this conflict.

In a ruling issued today at 1000, third labor court judge Manuel Humberto Mora declared the CCSS employees strike illegal. Following are the details of the resolution obtained during an interview granted by Mora.

[Begin Mora recording] [Word indistinct] is positive because that is what it says, that the strike or work stoppage of the CCSS workers is illegal, and it is ordered that notice be given to that effect.

[Question] Based on legal procedures, and after declaring the strike of the CCSS workers illegal, will the public forces be asked to intervene to achieve a return to normal operations?

[Answer] Well, this aspect has not been covered in this ruling, even though it is provided for in the law. But it will be [words indistinct] signs this resolution. For now, we must send it to the superior labor court for consultation. If it confirms this decision, it will issue that order by means of a telegram as (?presented). [end recording]

Meanwhile, the strike of the CCSS employees has continued. It has paralyzed hospitals and clinics. At this moment a meeting is being held in court in order to find a viable solution to the conflict. Problems have arisen at the hospitals, where strikers and non-strikers have come close to clashing. Doctors have lodged complaints and the public has protested.

Labor leaders charged this morning that heads of certain CCSS units are strongly pressuring employees to return to work. The leaders said that another form of pressure was the false CCSS announcement that no payments will be made at the end of the month. However, this situation had been foreseen and the checks have already been made, the labor leaders affirmed.

A last minute report indicates that the meeting at the superior labor court has just ended. During the meeting a mediating commission composed of high-ranking labor leaders tried, together with a CCSS delegation, to find a viable solution to this problem which has been seriously affecting the country for 3 days. It has been reported that the meeting has just ended without agreement.

TRIBUNAL DENIES CITIZENSHIP TO ROBERT VESCO

PA290302Y San Jose Radio Reloj in Spanish 0100 GMT 29 Aug 78 PA

[Text] The Supreme Electoral Tribunal today signed the resolution denying Robert Vesco's citizenship petition. Vesco was apparently unable to submit any proof that he had complied with U.S. legal requests, the tribunal said when it signed the resolution issued previously by the civil registry, which had denied Vesco's petition. The tribunal said that it could not approve Vesco's petition without a good-conduct certificate, which he was unable to provide.

The tribunal also explained that Vesco did not submit any document proving that he is a resident of Costa Rica, as Article 15 of the constitution demands. It said that Vesco could not prove that he had any common interest with the Costa Rican community and, for this reason, and those mentioned before, he could not be granted naturalized Costa Rican citizenship.

EL SALVADOR

ERP RELEASES COMMUNIQUE ON MONEDERO KIDNAPING

PA290219Y San Salvador Radio Cadena YSKL in Spanish 2305 GMT 28 Aug 78 PA

[SERCANO Network]

[Text] We have received in our press room a communique released by the Revolutionary People's Army [ERP]. The text is as follows:

The ERP, armed branch of the Salvadoran Revolutionary Party, expects fulfillment of its demands so that Mr Monedero can recover his freedom. These include publication of a message released by the ERP's national leadership for operations.

The ERP has also sent a tape recording of the voice of Mr Armando Monedero Barreiro, which says: [begin recording] 28 August 1978. I am making this to prove that I am in good health and to thank once again all organizations and my friends in general for their concern over my release. I hope to be with my wife, children and friends soon. Sincerely yours, Armando Monedero. [recording repeated] [end recording]

Armando Monedero Barreiro was kidnaped by an ERP command in Santa Ana, 65 km from San Salvador, on 10 August. Monedero's family has already met one of the ERP's demands, paying a ransom of 100,000 colones. But the Salvadoran political constitution and a secondary law called "Law for the Defense and Guarantee of Public Order" preclude--or rather ban--publication of subversive communiques. This is the reason why the ERP has not yet released Mr Armando Monedero Barreiro.

PANAMANIAN FOREIGN MINISTER REAFFIRMS ASYLUM FOR SANDINISTS

PA290417Y Paris AFP in Spanish 0153 GMT 29 Aug 78 PA

[Text] San Salvador, 28 Aug (AFP)--Panamanian Foreign Minister Nicolas Gonzalez Revilla today reaffirmed his government's intention of granting political asylum to the Sandinist guerrillas who have taken refuge in Panama. Gonzalez Revilla, who came here to sign an agreement on the resumption of diplomatic relations with Guatemala, explained that nevertheless some of the 82 Sandinists, including the 25 who took over the National Palace of Managua and arrived in Panama on Thursday, want to leave for Venezuela, Cuba or Costa Rica. He added that the arms which the Sandinists had when they arrived in Panama were seized by the Panamanian Government. He refused to reveal what they were, saying only that they are "very modern."

RESTORATION OF PANAMANIAN-GUATEMALAN RELATIONS ANNOUNCED

PA282320Y Buenos Aires LATIN in Spanish 2308 GMT 28 Aug 78 PA

[Text] San Salvador, 28 Aug (LATIN)--It was officially announced today that Panama and Guatemala resumed diplomatic relations today, relations which were suspended more than a year ago. The announcement was made by the Salvadoran Government after the foreign ministers of Panama and Guatemala signed the declaration "of San Salvador" at the Salvadoran Foreign Ministry.

GUATEMALA

EGP THREATENS TO BURN MUNICIPAL BUSES

PA282206Y Panama City ACAN in Spanish 1817 GMT 28 Aug 78 PA

[Text] Guatemala City, 28 Aug (ACAN-EFE)--The "Poor People's Guerrilla Army" [EGP] today, Monday, issued a 2-day deadline for Guatemala City Mayor Col Abundio Maldonado and public transportation owners to resolve irregularities in the transportation service or the EGP will burn the buses. In telephone calls made to the communications media the rebels said that if the transportation service has not returned to normal in 48 hours the mayor would have to resign because of his obvious incompetence, and "special commandos will burn the buses wherever they are." The EGP threats were reported to the mayor as he was meeting with transportation owners and workers and municipal inspectors responsible for intervention in the transportation companies. There was no immediate reaction to the EGP announcement.

Public transportation was intervened by the municipality following a strike by workers demanding wage increases and the owners' refusal to normalize service unless they are authorized a 100-percent fare increase.

HONDURAS

MILITARY OFFICERS OF FORMER GOVERNMENT TO BE SENT ABROAD

PA290257Y Paris AFP in Spanish 0004 GMT 29 Aug 78 PA

[Excerpt] Tegucigalpa, 28 Aug (AFP)--Honduran military circles today reported that high-ranking officers who had been in the cabinet of the overthrown government of Gen Juan Alberto Melgar Castro will be sent on missions abroad. According to the sources, former Defense Minister Lt Col Francisco Ruiz Andrade will be appointed military attache in Washington. Former Culture, Tourism and Information Minister Lt Col Erin O'Connor Bain will be appointed Honduran ambassador to Nicaragua, and Lt Col Juan Angel Arias will receive a scholarship to the Inter-American Defense Institute in Washington. Col Jose Jorge Solorzano, former commander of the presidential honor guard, will be appointed military attache in Panama.

NICARAGUA

MILITARY PLOT AGAINST SOMOZA UNCOVERED; ARRESTS MADE

PA290028Y Panama City ACAN in Spanish 2352 GMT 28 Aug 78 PA

[Text] Managua, 28 Aug (ACAN-EFE)--National Guard officers and soldiers who rebelled today have been imprisoned. An official report issued this afternoon by the National Guard legal and public relations office did not give much detail about the uprising, but said only that for some time "there have been reports that a conspiracy was being plotted in the country by soldiers and civilians against the legitimately constituted government." The official report on the rebellion published today states:

"As a result of investigations initiated some time ago by military authorities it has been learned that a conspiracy was being plotted by soldiers and civilians against the legitimately constituted government.

"After making a calm analysis of the information obtained from various sources the authorities considered it prudent to proceed to arrest the plotters in an operation which caused no casualties.

"A court-martial has been appointed to investigate the affair. It consists of Col Nicolas Valle Salinas as principal member, Lt Col Francisco Manzano and Maj Enrique Jacoby as members, and Maj Arturo Vallejos as military attorney."

The communique was signed by Col Aquiles Aranda Escobar, chief of the National Guard's legal and public relations office.

Members of the Managua police force, who for obvious reasons refused to give their names, early this afternoon told this agency that a Colonel Larios, a Lieutenant Colonel Abea, a corporal and two soldiers had been imprisoned at the police department. The sources said that the chief of the corps, Col Nicolas Valle Salinas, had violently stripped the insignias from the two high-ranking officers and that moments later one of them was taken out with his head hooded, supposedly to the National Security Department.

We attempted to confirm this report with army sources who denied knowing any details but revealed that a court-martial had been appointed to investigate the recent guerrilla operation at the National Palace.

Officers Will Be Investigated

PA290251Y Panama City ACAN in Spanish 0234 GMT 29 Aug 78 PA

[Excerpt] Managua, 28 Aug (ACAN-EFE)--ACAN-EFE has unofficially learned that the high-ranking National Guard officers who will be investigated include Col Efrain Santamaria, commander of the 5th Company in Managua; Col Luis Manuel Larios, commander of "Waslala" garrison in northern Nicaragua; and Lt Col Carlos Eger, manager of the National Guard Chontal Shoe Factory.

Also mentioned were Lt Col Melville Hodgson, executive of the 10th National Guard Company with headquarters in Juigalpa, Chontales Department; Lt Col Federico Mejia, executive of the Engineers Batallion (civic action); and two other officers, one of whom is identified as Bernardino Larios.

85 National Guardsmen Arrested

PA282211Y San Jose Radio Reloj in Spanish 2200 GMT 28 Aug 78 PA

[Excerpts] Managua--Eighty-five members of the National Guard, including 2 officers, have been arrested in connection with an alleged plot to overthrow President Anastasio Somoza, a reliable source linked to the National Guard has reported.

The source, who asked not to be identified, said that it is expected that there will be more arrests of military men discontented with Somoza. He did not give more details. Another high-ranking National Guard source confirmed rumors that several military men were overheard discussing plans to overthrow Somoza when a National Guard station microphone was open.

GENERAL STRIKE MEETING WITH VARIED SUCCESS

PA290128Y Buenos Aires LATIN in Spanish 2231 GMT 28 Aug 78 PA

[By Hector R. Lopez]

[Excerpts] Managua, 28 Aug (LATIN)--An appeal to businessmen to join the general strike against Gen Anastasio Somoza's government had only meager support in Managua, where military patrols were protecting the principal galleries of shops and stores.

Approximately 30 percent of the shops were closed here this morning. The situation appeared to be completely calm except for barricades erected in a suburban district close to the house of two youths who were killed last night in a clash with the National Guard.

Unofficial reports from the interior of the country stated that in the principal cities, however, numerous businessmen joined the strike called by the Broad Opposition Front, a coalition of political parties of various tendencies, from Conservatives to Marxists. Industrial and banking activities were not stopped in Managua and public transportation operated normally, although there was a decrease in the number of customers in the principal commercial areas.

In the major commercial area of Managua, where the Chamber of Commerce is located, close to 40 percent of the more than 200 stores were closed, although personnel were inside many of the closed stores. The acceptance of the strike was, nevertheless, considerably less in other areas, where several (?jeeps) loaded with soldiers armed with machineguns were on guard, although there were no visible signs of support for the strike. The organizers of the strike, after a weak beginning on Friday, had said that the movement would gain strength in Managua today, although they claimed strong support for the strike in the principal cities of the country.

With little union organization, the support of the shopowners or industries appears decisive for the strike organizers' goal: To paralyze the country against Somoza, whose government is facing economic difficulties. In addition the strike today received the support of the Sandinist National Liberation Front [FSLN], the leftist guerrilla group which last week dealt a daring blow by occupying the National Palace for 3 days. The FSLN said the strike must be an "antidictatorial revolutionary struggle to raise the struggle to a new and higher level and make it more than just a simple means of pressure to obtain the resignation of Somoza, as the bourgeoisie wants." Recently the FSLN accused the "financial bourgeoisie" of being allied with Somoza and called for "unmasking it."

Newspapers in Managua continued to publich, although the opposition LA PRENSA, whose director Pedro Joaquin Chamorro was murdered in ambush on 10 January, published a smaller edition without advertisements. LA PRENSA's publicity offices throughout Managua were closed today. The government newspaper NOVEDADES published normally, and radio stations broadcast short reports on the strike, although they were warned not to propagandize the movement.

The vigilance of the National Guard, a militarized corps of approximately 7,500 men who have always supported the Somozas, today followed a warning by the corps against any disruption of public order. The National Guard said that, "it will continue to be the strongest bulwark for constitutional order, peace and the law."

Sanctions Against Striking Businesses

PA290330Y Panama City ACAN in Spanish 0220 GMT 29 Aug 78 PA

[Text] Managua, 28 Aug (ACAN-EFE)--The commission of superintendancy of the Nicaraguan Government has adopted measures on the collateral and securities of businesses whose owners support the indefinite strike called by politicians opposed to President Anastasio Somoza's regime. Emphasizing the grave consequences of this action on the economy and the finances of private enterprise, with the ensuing negative effect on the country's economy, the aforementioned commission resolved that "banking and financial institutions which have outstanding loans to establishments which go on strike must set up a reserve of 26 percent of the loan balance until such time as the lender forecloses or recovers control of the mortgaged properties or collateral."

"If the strike lasts longer than the period of time established by the superintendent, the latter will order sanctions on the loans of that portfolio, charging a larger percentage, and corresponding adjustments will be made when the collateral is redeemed," the government communique said tonight. It added that the superintendent "will daily present to the respective [lending] institutions a list of closed businesses. The institutions will proceed to obtain control of the collateral so that the loans granted to those establishments will not [as received] be penalized."

Last Friday the Broad Opposition Front, which consists of 16 political, labor, student and other organizations, declared a general strike to pressure President Anastasio Somoza into resigning.

OFFICIAL SOURCE DENIES RUMORS OF SOMOZA RESIGNATION

PA282010Y Panama City ACAN in Spanish 2003 GMT 28 Aug 78 PA

[Excerpt] Managua, 28 Aug (ACAN-EFE)--An official source close to President Gen Anastasio Somoza denied rumors circulating here and abroad regarding the resignation of the president and his traveling to the airport with the intention of leaving Nicaragua.

Somoza Authorized To Travel

PA282145Y Panama City ACAN in Spanish 2128 GMT 28 Aug 78 PA

[Excerpts] Managua, 28 Aug (ACAN-EFE)--The Nicaraguan Chamber of Deputies today granted President Anastasio Somoza legislative permission to leave the country while continuing to hold his presidential office. It is not known if General Somoza will travel abroad soon but he now has official congressional authorization to travel outside Central America.

The deputies met in the Chamber of Deputies hall on the second floor of the National Palace, precisely where they were held hostage by the Rigoberto Lopez Perez Sandinist group last week. Deputies of the progovernment Nationalist Liberal Party (PLN) attended the solemn session. Only three deputies of the minority Conservative Party were present at the National Palace, but they left the hall of sessions. Deputies of the Conservative Party had previously met at the party's Managua headquarters and decided not to attend today's session.

Besides the authorization granted to President Somoza, the PLN deputies also approved two loans granted by the U.S. Agency for International Development (AID) for $10.5 million to the Nicaraguan Government to be used for various public works.

The deputies who attended today's session amid special security measures were called to an urgent session tomorrow to debate and condemn the Venezuelan congressional resolution against President Somoza's government.

DEATHS, CASUALTIES REPORTED IN VIOLENCE THROUGHOUT COUNTRY

PA281737Y Panama City ACAN in Spanish 1623 GMT 28 Aug 78 PA

[Excerpts] Managua, 28 Aug (ACAN-EFE)--Six dead and more than 12 wounded were reported today, Monday, after 4 days of unrest and violence in this capital and in other Nicaraguan cities. The casualties reported include those from last Friday's 14-hour gunfight in Jinotepe, 45 km south of Managua, between civilians and the armed forces loyal to Gen Anastasio Somoza. The victims include alleged members of the Sandinist National Liberation Front, military and civilians, according to reports from various sources.

It was reported from Diriamba that two gas stations were robbed early yesterday morning by unidentified persons who were able to steal very little money since fuel purchases have decreased. In this same city civilians threw a dozen bombs in an effort to force businessmen to join the general strike decreed last Friday by the Broad Opposition Front, an organization which claims to include all sectors opposed to Gen Anastasio Somoza's regime. Regarding the general strike, reports from Esteli, in the northern part of Nicaragua, say that the paralysis is total, and people have been asked not to go out into the streets.

In Matagalpa, also to the north, the capture of opposition member Leonardo Vivas and his son unleashed a wave of violence which resulted in shooting in some districts. Opposition demonstrators threw tacks on the streets. This has forced the army to patrol on foot instead of using their vehicles. Some contact bombs were thrown at the soldiers.

A similar situation is reported in Leon, in the eastern part of the country, where demonstrators placed contact bombs under pavement blocks so that they will explode when the equipment clearing the barricades passes over them.

Meanwhile in Managua, Archbishop Monsignor Miguel Obando y Bravo issued an appeal to Nicaraguans to work for "a true and living peace."

HOSPITAL WORKERS' STRIKE TERMED 'MORE ACUTE'

PA2818457Y Managua Radio Corporacion in Spanish 1720 GMT 28 Aug 78 PA

[SERCANI Network]

[Text] The hospital crisis became more acute yesterday in various cities of the nation after military troops, obeying orders, evicted the nurses from the hospitals. The position of the striking hospital personnel has not changed, even after the hospital authorities decided to close the case by fixing the wage increase for employees at 16 percent. In addition, hospital employees wishing to continue to work would have to fill out new employment applications.

In Nicaragua there are 14,000 employees at the centers controlled by the social assistance board and the social security organization.

Yesterday hospital employees were still in the streets and roads of Managua requesting economic aid for the strikers. The employees explained that they were making this request since they had not been paid in August. The hospital authorities refused to pay the personnel who had not worked, saying that they would only pay the persons who had complied with their duties. Hospital leaders said that emergency cases were being attended to at the centers affected by the strike and, thus, they consider that they have worked. As a last alternative the hospital employees announced that they will ask Archbishop of Managua Monsignor Obando y Bravo to act as mediator in the labor crisis.

BRIEFS

GUATEMALAN AMBASSADOR RESIGNS--It has been reported that President Fernando Romeo Lucas Garcia has accepted the resignation of former President Juan Jose Arevalo, who was Guatemalan ambassador to Israel. The resignation is effective 31 December 1978 and is due to health reasons. [Guatemala City Domestic Service in Spanish 1230 GMT 24 Aug 78 PA]

BARBADOS

EDITORIAL LAMENTS IMPACT OF U.S. SUGAR POLICY

FL251520Y Bridgetown ADVOCATE-NEWS in English 22 Aug 78 p 4 FL

[Editorial: "Sugar Worries From U.S. Bill"]

[Excerpts] In spite of the fact that Barbados has had a big setback in its sugar production this year, mainly because of cane fires, we might not have as much sugar as earlier anticipated for sale on the United States market. But developments there still will hold our interest as they apply to steps taken to protect the United States sugar producers. The United States House of Representatives has a bill before it which seeks to hold sugar prices in the United States to a minimum level while imposing quotas and fees on sugar imports.

It is a protectionist move that will hit hard at those countries which have been making sales on the U.S. sugar market. Already cries of despair have gone up in Guyana and Trinidad and Tobago about the proposed U.S. move. But as has been pointed out, it is not something that will only affect these two. It will have drawbacks for the other Caribbean sugar producing territories as well.

It is already anticipated that with exports to the United States cut off or hampered, the world sugar price will drop even more than its already low figure.

It cannot be argued that the United States does not have an obligation to its own sugar farmers. It has. But at the same time in the light of thinking that accepts that certain protectionist measures can have an extremely adverse effect on developing countries, when instituted by the industrialised nations, it is not amiss to stress that second thoughts are always necessary before such action is taken.

Furthermore, in the Caribbean sugar is one of the main primary products produced, and it is interesting that two of the territories in the region that have openly expressed alarm at the U.S. move produce, in one case, fuel products, and in the other, mineral-type products.

This is not the case with Barbados, whose embarrassment at this stage might not centre only around the protectionist moves by the U.S. but the fact that it produced a lot less sugar than would have enabled it to benefit fully from entry into the U.S. market.

Last year Barbados sold some 36,000 tons of sugar on the U.S. market. This year we have only 19,000 tons that would be available for such sales. However, hope beats eternal in the human breast and so we look forward to a better crop next year with more sugar to sell.

It is now that we must therefore take stock of the situation. The U.S. sugar act was not renewed in 1974 and since then our sugar has been sold there on a first come, first served basis at a premium price. Now that there are plans to return to a quota system it's not likely that Barbados, or any of the other Caribbean territories, will enjoy the type of sugar sales that they have had in recent years. No way, for example, could we look forward to a quota that will give us anything in the area of 36,000 tons to be sold there, as we did last year.

Meanwhile, we remain vulnerable. We realise ever so often that whatever goals we set ourselves we are forced to sit by, almost helplessly, as others decide our fate.

BOLIVIA

CAMPESINO LEADER NAMED CONSUL TO SPAIN

PY290250Y La Paz Radio Panamericana Network in Spanish 0000 GMT 29 Aug 78 PY

[Text] Oscar Cespedes Sotomayor, the one-time strongman of the Bolivian National Peasant Workers Confederation [CNTCB], which is a department of the Ministry of Agriculture and Campesino Affairs, will be the new Bolivian consul in Spain. This report was released by Pascual Gamon Morales, who is replacing Cespedes as CNTCB executive secretary in accordance with the statutes, since Cespedes has asked for an indefinite leave of absence from his post.

Asked by Panamericana whether Cespedes' appointment was aimed at keeping him away from political and union activities during the present situation in view of his background, Gamon Morales stated: [recorded passage indistinct]

He also said that he does not intend to hold on to the executive secretariat of the CNTCB, and that in accordance with that policy, he will first call for a national meeting to establish a date and place for the next campesino congress to elect the new leaders of the organization.

CHILE

FOREIGN MINISTER SCHEDULES TRIP TO PRC IN OCTOBER

PY290119Y Santiago Chile Cadena Agricultura in Spanish 0000 GMT 29 Aug 78 PY

[Text] Foreign Minister Hernan Cubillos will travel to the PRC during the third week of October. Details of the visit were discussed during a 90-minute meeting between Hu Cheng-pang, the PRC ambassador to Chile, and the foreign minister.

At the conclusion of the meeting, the Chinese ambassador indicated that Cubillo's trip will be one of friendship and he added that the trip's program is being drafted with the help of a Foreign Ministry commission.

DOMINICAN REPUBLIC

PRESIDENT GUZMAN RETIRES FOUR GENERALS

PA251957Y Paris AFP in Spanish 0225 GMT 25 Aug 78 PA

[Excerpt] Santo Domingo, 24 Aug (AFP)--President Antonio Guzman has retired four Dominican generals, including Gen Santos Melido Durate, who was former President Balaguer's security chief.

Armed Forces Secretary Lt Gen Rafael Adriano Valdez Hilario gave the four generals a letter of recognition from the chief of state and extolled their "obedience to civilian authority."

Aside from Santos Melido Duarto, who had been in the army for 60 years, the generals are Anselmo Pilarte, Carlos Jaquez Olivero and Urbano Matoz Feliz.

FOUR POLICE GENERALS APPOINTED BY PRESIDENT

PA2713437Y Paris AFP in Spanish 0310 GMT 27 Aug 78 PA

[Text] Santo Domingo, 26 Aug (AFP)--President Antonio Guzman today appointed four police generals to regional commands in another reorganization of the police department. Those affected by the decision are generals Tadeo Guerrero, Demetrio Cedano Suero, Jose de Jesus Morillo Lopez and Elegio Bisono Jackson.

It was reported that Guzman made the appointments based on the advice of the national police chief, Maj Gen Robinson Brea Garo. Morillo was police chief in 1965 and, until today, director of price control for staples. Bisono Jackson was the second to the last chief of military aides to serve under former President Joaquin Balaguer.

GUYANA

U.S. SUGAR BILL SEEN AS 'BITTER PILL'

FL2515107Y Port-of-Spain SUNDAY GUARDIAN in English 20 Aug 78 p 19 FL

[Text] Georgetown, Sat (CANA)--Guyana has joined Trinidad and Tobago in expressing concern at the impact on the local sugar industry of a bill facing the U.S. House of Representatives which would permit the imposition of quotas and fees on imports to hold prices to a minimum level.

The bill has been described as "a bitter pill" by the head of the state-owned sugar industry here, Mr. Harold Davis.

It would adversely affect not only Guyana's sugar sales but those of all other Caribbean and Latin American producers who export to the United States, he said.

Mr. Davis said he agreed with the comment attributed to his Trinidad and Tobago counterpart, Mr. Gordon Maingot, of Caroni Limited, who said the U.S. action would hurt his country's sugar exports.

Mr. Davis, chairman of the Guyana Sugar Corporation (GUYSUCO), gave notice of his feelings when he tabled the GUYSUCO report of 1977.

He declared that recent legislative acts in the U.S. "could have disastrous effects on the economy of sugar-producing territories which had traditionally exported to the U.S.

PARAGUAY

PASTOR BENITEZ RESIGNS AS PLR PRESIDENT

PY2515327Y Asuncion HOY in Spanish 25 Aug 78 p 10 PY

[Excerpt] The crisis which the sector of the Radical Liberal Party [PLR] led by Justo Pastor Benitez has been facing reached its peak yesterday when Pastor Benitez resigned as president of the PLR bloc in the Chamber of Deputies.

When asked the reason for his resignation, Pastor Benitez merely said: "I resigned because of disagreements with the party leadership." He said that he will later give details of the events which led him to resign.

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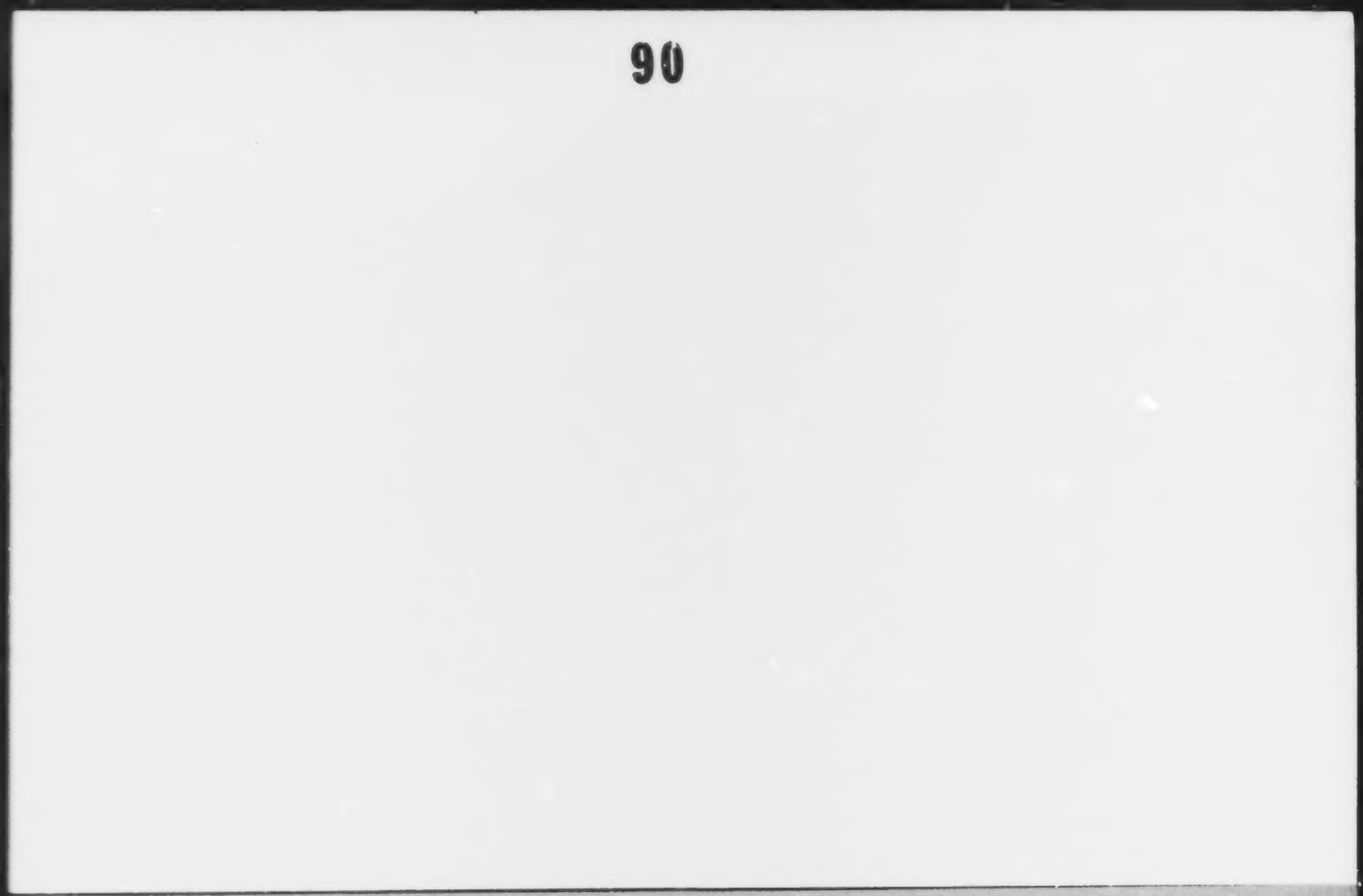
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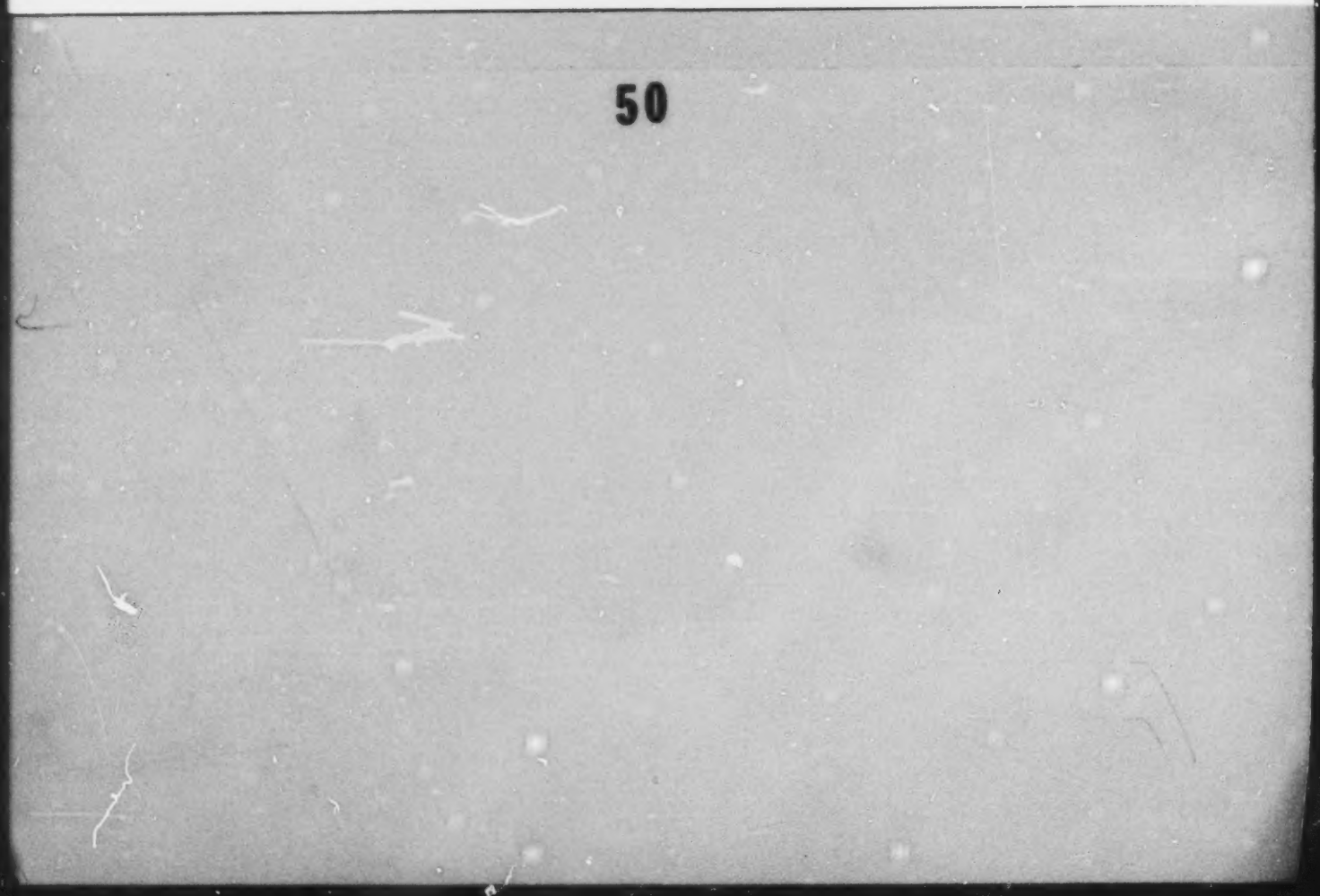
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